

M/s Delta Garments – Reducing Energy Share in Manufacturing Cost



Boiler Exhaust Waste Heat utilized in Wood Furnace

*"We have realized that with all physical systems in place we never paid attention to the health of the components which has a significant effect on costs. We feel that after this project we have started communicating with the components more effectively to ensure that they are **healthy**"*

Mr. Sajid Saleem Minhas
CEO, Delta Garments Ltd.

ESPIRE is a partnership project between bfz gGmbH, Business associations, and SMEDA.

By partnering with ESPIREnergy, industries are leveraging their own efforts to save energy and thus reduce costs, by adopting the following three services:

- ▶ External Energy Audit (EA) for status quo analysis of energy consumption and recommendations for energy saving measures
- ▶ Installation of Energy Information System (EIS) for continuous measurement and monitoring of energy consumption and costs
- ▶ Implementation of Energy Management System (EnMS) in the factories for continuous control and reduction of energy consumption and costs with own staff.

▶ www.espire.com.pk

Background

M/s Delta Garments Ltd. professional Jeans manufacturing and exporting company. Since the inception in 1992, Delta Garments has acquired an outstanding reputation with their customers and with industries all over Pakistan as a company that values corporate ethics and the relationships it builds with its clients, vendors and employees. The average electricity consumption of the company is 500 kW per Hour and steam generation capacity of 2 Tons per Hour.

ESPIRE Intervention

In October 2011, Mr. Sajid Saleem Minhas, CEO, decided to avail services offered by ESPIREnergy (see description on the left) and thus the company was nominated by Pakistan Readymade Garments and Exporters Association (PRGMEA).

Through Energy Audit 20 energy conservation measures were identified with an annual energy saving potential of 1.63 Million PKR with an indicative investment of 0.73 Million PKR.

An Energy Information Software was installed, an Energy Management System developed and an Energy Team formed and trained to monitor and improve energy use without external support.

For 6 months the consultant assigned by ESPIREnergy monitored and supported implementation, documented the progress and quantified the realized cost savings.

Achievements

Delta Garments implemented 5 improvement measures identified during Energy Audit within 6 months. The intervention resulted in Energy Savings of 0.9 Million PKR per annum with an investment of merely 0.15 Million PKR. The savings have translated into reduction of average steam cost on wood from 7.60 PKR per Garment to 7.00 PKR per Garment.

The company is very concerned about the energy costs. Being a volume producer and a mid sized factory the cost of energy bears heavily on profit margins. For this the company has developed a reporting system that monitors energy cost on a daily basis and management intervention is done where improvements are needed.

